

Supplemental Rejoinder Testimony
of
John Conroy

1 Q Please state your name, occupation and business address.

2 A. My name is John Conroy and I am Vice President – Regulatory for Verizon
3 Massachusetts (“Verizon MA”). My business address is 185 Franklin Street,
4 Boston, Massachusetts.

5 Q. Please describe your education and work experience.

6 A. I was employed by New England Telephone in June, 1972, after graduating from
7 Stonehill College with a Bachelor of Arts degree in Economics. Since then, I
8 have held various assignments of increasing responsibilities in the Revenue
9 Matters, External Affairs, Customer Services, Marketing and Technology, and
10 Public Affairs and Corporate Communications departments. I have appeared as a
11 witness before the Department, the Maine, New Hampshire and Rhode Island
12 Public Utilities Commissions, and the Vermont Public Service Board.

13 Q. Are you adopting the prefiled direct and rebuttal testimony of Robert Mudge in
14 this proceeding?

15 A. Yes. Effective November 1, 2001, Mr. Mudge assumed other responsibilities
16 within Verizon. I have reviewed and am sponsoring his previously filed
17 testimony as my own.

18 Q. What is the purpose of your supplemental rejoinder testimony?

19 A. The purpose of this testimony is to respond to the supplemental surrebuttal
20 testimony of Deborah Waldbaum filed on behalf of AT&T. I explain that Ms.
21 Waldbaum has not presented any evidence that rebuts Verizon MA’s evidence of
22 the extent of competition in Massachusetts. In fact, Ms. Waldbaum’s
23 supplemental surrebuttal testimony confirms Verizon MA’s prior testimony that

1 there is a significant competitive presence throughout the Massachusetts
2 telecommunications marketplace, that presence is growing, and there are no
3 barriers to entry.

4 The Massachusetts Competitive Profile (“Profile”) clearly demonstrates the
5 presence of competition in every Massachusetts central office, and Ms.
6 Waldbaum’s testimony does not deny that the Profile demonstrates AT&T’s
7 competitive presence in central offices across the state.

8 Q. Ms. Waldbaum suggests that Verizon MA’s testimony is “misleading”. Would
9 you please comment?

10 A. Ms. Waldbaum’s principal claim is that the Profile overstates the level of
11 competition because of the way AT&T reports certain data to the E911 database.
12 Although Verizon MA used a number of sources to develop the Profile, Ms.
13 Waldbaum’s testimony questions only one of those data sources, the E911
14 database. Specifically, Ms. Waldbaum addresses only a narrow portion of that
15 data, *i.e.*, the total number of PBX customer lines served by AT&T and not the
16 central office by central office data presented in the Profile.¹ While Ms.
17 Waldbaum attempts to demonstrate that “the E911 database is likely to
18 substantially *overstate* the extent of competition” (Waldbaum at 1, emphasis in

¹ Ms. Waldbaum’s statement that “the telephone numbers we investigated represent AT&T customers” (Waldbaum at 5) concedes that AT&T has customers in each of the central offices noted in the Profile. In addition, AT&T did not refute the total AT&T telephone numbers per central office, as detailed in attachment 1 to Verizon MA’s supplemental response to AT&T-VZ 2-8.

1 original),² she does not provide any quantitative analysis of the data presented in
2 the Profile to support her contention.

3 Q. What is Ms. Waldbaum's criticism of the use of E911 data?

4 A. Ms. Waldbaum implies that the E911 database was the sole source of data for the
5 Profile and that, based on AT&T's practices, the E911 database overstates the
6 extent of competition. She concludes that the Profile overstates the level of
7 competition when compared to Verizon MA's data. Her conclusion is incorrect.
8 The Profile includes data from Verizon MA's internal sources and, when that data
9 is not available, from the E911 database. The Verizon MA data in the Profile
10 represents all lines served by Verizon MA, including inward and outward PBX
11 trunks, all Centrex lines, and all 800 lines. In contrast, CLECs are not required to
12 include inward only services in the E911 database. As a result, a comparison of
13 competitor lines to Verizon MA lines has the potential to understate competitor
14 lines.

15 Q. Does Ms. Waldbaum criticize any other aspect of the use of E911 data?

16 A. Yes. Ms. Waldbaum provides a general explanation of AT&T's practice for
17 inputting telephone numbers into the E911 database. She testifies that AT&T's
18 practice, which she admits is not the industry standard (Waldbaum at 5), is to
19 include every telephone number behind a PBX switch, including direct inward
20 dial ("DID") numbers, when a customer migrates from Verizon MA to AT&T.³
21 At the same time, she also notes that, when a customer uses a telephone number

² Interestingly, this statement is contradicted later in Ms. Waldbaum's testimony when she states that: "The E911 database may overcount and it may undercount lines" (Waldbaum at 7).

1 from a block of numbers assigned to AT&T, AT&T may not include all of the
2 telephone numbers behind the PBX (Waldbaum, fn. 2). What this means is that,
3 if a customer uses telephone numbers assigned to AT&T, AT&T may put only the
4 “lead” number in the E911 database.⁴

5 Q. Is Ms. Waldbaum’s criticism of the use of E911 data reasonable?

6 A. No. Ms. Waldbaum’s explanation of AT&T’s practices does nothing to invalidate
7 the Profile or the conclusions that can be reached by an examination of the
8 Profile; in fact, it supports the data presented by Verizon MA. Ms. Waldbaum’s
9 concerns also make little difference in the overall data presented in the Profile.
10 While Ms. Waldbaum makes a broad assertion concerning possible
11 “overstatement” of competitive lines due to AT&T’s practice of reporting
12 “ported” numbers behind a PBX, the following table demonstrates that “ported”
13 numbers are a small segment of AT&T’s overall lines in the Profile.

14 AT&T Listings in E911 Database (May, 2001)

15 [BEGIN PROPRIETARY

Total AT&T Listings	
Residence Listings	
Business Listings	
Business listings using telephone numbers assigned to AT&T	
Business listings/ported numbers	

16 END PROPRIETARY]

³ This practice is comparable to the count of certain Verizon MA retail lines contained in the Profile. For instance, all Centrex lines are included in Verizon MA’s count of retail lines.

⁴ This practice validates Verizon MA’s assumption of how CLECs are likely to populate the E911 database for those customers.

1 The table provides the total number of AT&T listings in the E911 database for
2 May, 2001 and a breakdown of those listings between residence and business.⁵
3 The number of business listings is further disaggregated to show the number of
4 business listings that are in the E911 database for telephone numbers that are
5 assigned to AT&T and those that use numbers assigned to other providers
6 (“ported” numbers). The AT&T listings in the E911 database associated with
7 numbers that were “ported” from other telephone companies possibly represent
8 DID numbers behind an AT&T PBX.
9 However, even this number is not necessarily an overstatement for two reasons.
10 First, Ms. Waldbaum states that AT&T’s engineering standards allow for up to
11 500 telephone numbers for each T-1 Facility.⁶ Since AT&T does not follow the
12 industry guideline for designating class of service, Verizon MA is unable to
13 determine what portion of the ported lines are actually behind a PBX or are, in
14 fact, regular business lines. Second, based on Ms. Waldbaum’s explanation of
15 AT&T practices, the total number of AT&T E911 listings could also understate
16 the number of lines served by AT&T. According to Ms Waldbaum, AT&T does
17 not list all numbers in the E911 database when a customer uses telephone
18 numbers assigned to AT&T “because AT&T has specific information on which
19 numbers are only DID.” (Waldbaum, fn 2). Thus, some of the E911 business
20 listings for AT&T’s own telephone numbers may be lead numbers for PBX

⁵ Ms. Waldbaum also points out that, while the E911 guidelines recommend otherwise, AT&T does not consistently distinguish between Business and Business PBX classes of service when entering listings in the E911 database. As a result, Verizon MA is not able to determine how many of AT&T’s “business” listings are for AT&T’s PBX customers and how many are for AT&T’s non-PBX business customers.

1 services. Associated with these lead numbers would be other telephone numbers,
2 and therefore actual lines, that are served by AT&T. Verizon MA has no way of
3 estimating the significance of this potential understatement, but even Ms.
4 Waldbaum admits it is a possibility.

5 Q. Do these criticisms have any significant impact on the Profile?

6 A. No. While there is no precise method to quantify the impacts of these comments,
7 even if one assumes that all of AT&T's ported numbers represent an
8 overstatement, the potential variation is *de minimus*. The fact still remains that
9 there are competitors serving business customers in all central offices in
10 Massachusetts. The Profile presents a reliable picture of the vibrant state of the
11 Massachusetts competitive market. The E911 data used in the Profile is a
12 reasonable surrogate for actual competitive lines. If AT&T wanted to refute
13 Verizon MA's assertion that competition exists in each central office, it could
14 present its own actual data – which it has not done.

15 Q. Do you have other comments on Ms. Waldbaum's testimony?

16 A. Yes. In footnote 1 of her testimony, Ms. Waldbaum suggests that Mr. Mudge
17 "admitted" that E911 listings include customers being served using Verizon MA's
18 special access services. This discussion came about as a result of a comment by
19 Dr. Mayo in his surrebuttal testimony. However, the issue raised is a red herring.
20 The Profile confirms the presence of competitive entry – and the level and extent
21 of competitive activity – across the state for dial tone types of services. In its

⁶ A T-1 facility is the equivalent of 24 voice channels which means that AT&T would allow for up to a 20:1 station to trunk ratio – a very high ratio.

1 simplest form, the Profile is Verizon MA's attempt to estimate the lines being
2 provided within the state by other telecommunications providers. These lines can
3 be classified as originating either from a Verizon MA switch (for resold and
4 UNE-Platform services) or from a CLEC's switch. Verizon MA was able to
5 count the number of resold and UNE-Platform services provided by CLECs
6 because the services originate in a Verizon MA switch and are accounted for in
7 Verizon MA's internal systems. Other competitive lines served in the state
8 originate from CLEC switches. Verizon MA does not have access to CLECs'
9 internal systems and thus used E911 listings as an estimate of CLEC switched
10 lines.

11 Verizon MA estimated that Massachusetts CLECs were serving 851,000 lines in
12 January, 2001 and 964,000 lines in May, 2001. In counting lines Verizon MA
13 considered only the source of dial tone, not the means used by the CLEC to reach
14 the customer. Competitive lines served through a CLEC's own switch are, in fact,
15 facility based. CLECs have several options in delivering their dial tone to
16 customers. Verizon MA indicated that CLECs could be using either unbundled
17 loops or their own local facilities. Dr. Mayo pointed out that CLECs may also be
18 using dedicated special access circuits to deliver local exchange services.
19 (Verizon MA, however, has no way of determining what types of services
20 CLECs/Carriers may actually be providing on any specific circuit.) Dr. Mayo's
21 point, however, does not change Verizon MA's estimate of the number of lines
22 served by CLECs through their own switches. The methodology used by Verizon

1 MA identifies lines as originating in either a Verizon MA switch or a CLEC
2 switch.

3 Q. Ms. Waldbaum states that “[w]hile volumes of numbers in use by any one
4 carrier’s customers may suggest competitive entry, its relationship to the service
5 provided and the facilities used to provide such service is, at best, tenuous”
6 (Waldbaum at 3). Would you comment?

7 A. It is undisputed that the existence of customers with telephone numbers served by
8 competitive carriers represents “competitive entry” throughout the state. As
9 stated earlier, AT&T does not refute the existence of those customers served by
10 AT&T in every central office noted in the Profile. Ms. Waldbaum’s supplemental
11 testimony confirms AT&T’s significant presence in the market.

12 Q. Ms. Waldbaum also suggests that Mr. Mudge’s testimony is misleading when he
13 rebuts Dr. Selwyn’s testimony regarding listings for PBX services because he
14 reported what was in the E911 database as Business PBX. Please comment.

15 A. Ms. Waldbaum has it backwards. Ms. Waldbaum admits that AT&T does not
16 report all of its PBX customers with a Business PBX class of service code in the
17 E911 database. Therefore, AT&T “misreported” the data to the E911 database.
18 Mr. Mudge’s testimony simply reported data from the E911 database. Since there
19 were 45,000 listings for PBX lines, it is reasonable to assume that some CLECs
20 are following the industry guideline. AT&T’s argument does not impact the total
21 number of listings in the E911 database but only the “business” category under
22 which the listings are reported, and, as pointed out earlier, Ms. Waldbaum’s claim
23 of overstatement is simply wrong.

1 Q. Does that conclude your testimony?

2 A. Yes, it does.

SUPPLEMENTAL REJOINDER TESTIMONY
OF
JOHN CONROY

Prepared on Behalf of Verizon New England, Inc.
d/b/a Verizon Massachusetts

Before the Massachusetts
Department of Telecommunications and Energy

REDACTED VERSION

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